

UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA

v.

THOMAS HARTLEY,
Defendant

NO. 3: 20-CR- 269

(ELECTRONICALLY FILED)

FILED
SCRANTON

OCT 20 2020

INDICTMENT

INTRODUCTION:

PEP DEPUTY CLERK

1) At all times relevant to this Indictment, the defendant, Thomas Hartley, was employed as a Special Agent with the United States Department of Labor, Office of Inspector General, Office of Labor Racketeering and Fraud. The defendant also served as a member of the New Jersey National Guard.

2) The United States Government provides a "Basic Allowance for Quarters" ("BAQ"), commonly referred to as a "Basic Allowance for Housing" ("BAH"), in order to offset the cost of housing for a military service member and his/her dependents, when the service member does not receive government provided housing while in an active duty status with the National Guard or Military Reserve. The amount of the BAQ

depends upon a number of factors, including the service member's duty location, the location of their dependents, the pay grade of the service members and whether the service member supports his/her dependents.

3) The Defense Travel Management Office (DTMO) sets the rates for the BAQ by surveying the costs of rental properties in a particular geographic location. Accordingly, the BAQ rate in high cost-of-living areas will be much greater than the BAQ rate in lower cost-of-living areas.

4) A service member can apply for the BAQ by submitting a Department of the Army ("DA") Form 5960, *Authorization to Start, Stop or Change Basic Allowance for Quarters (BAQ) and/or Variable Housing Allowance (VHA)*. On the Form 5960, the service member must provide information regarding the number of dependents he/she has and the current address of those dependents. The service member must certify that he/she is willing to provide adequate support for those dependents and must further certify that the dependency status of his/her dependents has not changed during the time period covered by the Form. Finally, the service member must certify that all information provided on the Form 5960 is true and correct. The Form 5960 clearly

states that criminal penalties can be imposed for making a false statement in connection with a claim.

5) At all times relevant to this Indictment, the primary residence of the defendant and his dependents was located in Henryville, Pennsylvania. Beginning in August 2018, however, the defendant submitted Forms 5960 to the Department of the Army in which he falsely claimed that his dependents resided in Shrewsbury, New Jersey. The BAQ rate set by the Defense Travel Management Office for the Shrewsbury, New Jersey, area is higher than the BAQ rate for the Henryville, Pennsylvania, area. For example, in 2018, the BAQ rate for the Henryville, Pennsylvania, area was \$1,845 per month, while the BAQ rate for the Shrewsbury, New Jersey, area was \$3,348 per month – a difference of \$1503 per month.

THE GRAND JURY CHARGES:

Count 1
(Theft of Government Funds)
(18 U.S.C. § 641)

6) On or about and between August 2018 and July 2020, within the Middle District of Pennsylvania, and elsewhere, the defendant,

THOMAS HARTLEY,

did knowingly and willfully steal, purloin and convert to his own use approximately \$23,582 in Basic Allowance for Quarters (BAQ) funds, to which the defendant was not entitled, such funds being the property of the United States, by falsely claiming on multiple DA Forms 5960, submitted to the Department of the Army, that his dependents resided in Shrewsbury, New Jersey, when in fact, as the defendant well knew, his dependents resided in Henryville, Pennsylvania.

All in violation of Title 18, United States Code, Section 641.

THE GRAND JURY FURTHER CHARGES:

COUNT 2
(False, Fictitious and Fraudulent Claims)
(18 U.S.C. § 287)

7) The allegations contained in paragraphs 1 through 5 of this Indictment are hereby realleged and incorporated by reference.

8) On or about and between August 2018 and July 2020, within the Middle District of Pennsylvania, and elsewhere, the defendant,

THOMAS HARTLEY,

did knowingly and intentionally make and present to the Department of the Army a claim against the United States, that is, a claim for Basic Allowance for Quarters (BAQ) funds, knowing such claim to be false, fictitious and fraudulent, in that the defendant submitted to the Department of the Army DA Forms 5960 in which he falsely claimed that his dependents resided in Shrewsbury, New Jersey, when in fact, as the defendant well knew, his dependents resided in Henryville, Pennsylvania.

All in violation of Title 18, United States Code, Section 287

THE GRAND JURY FURTHER CHARGES:

COUNT 3
(False Statements)
(18 U.S.C. § 1001(a)(3))

9) The allegations contained in paragraphs 1 through 5 of this Indictment are hereby realleged and incorporated by reference.

10) On or about August 21, 2018, within the Middle District of Pennsylvania, and elsewhere, the defendant,

THOMAS HARTLEY,

did knowingly and willfully make and use a false writing and document, knowing the same to contain a materially false, fictitious, and fraudulent statement and entry in a matter within the jurisdiction of the executive branch of the Government of the United States, in that the defendant submitted to the Department of the Army a DA Form 5960 in which he falsely claimed that his dependents resided in Shrewsbury, New Jersey, and had mortgage/rental expenses of \$2,200 at that address, when in fact, as the defendant well knew, his dependents resided in Henryville, Pennsylvania.

All in violation of Title 18, United States Code, Section 1001(a)(3)

THE GRAND JURY FURTHER CHARGES:

COUNT 4
(False Statements)
(18 U.S.C. § 1001(a)(3))

11) The allegations contained in paragraphs 1 through 5 of this Indictment are hereby realleged and incorporated by reference.

12) On or about January 1, 2019, within the Middle District of Pennsylvania, and elsewhere, the defendant,

THOMAS HARTLEY,

did knowingly and willfully make and use a false writing and document, knowing the same to contain a materially false, fictitious, and fraudulent statement and entry in a matter within the jurisdiction of the executive branch of the Government of the United States, in that the defendant submitted to the Department of the Army a DA Form 5960 in which he falsely claimed that his dependents resided in Shrewsbury, New Jersey, when in fact, as the defendant well knew, his dependents resided in Henryville, Pennsylvania.

All in violation of Title 18, United States Code, Section 1001(a)(3).

THE GRAND JURY FURTHER CHARGES:

COUNT 5
(False Statements)
(18U.S.C. § 1001(a)(3))

13) The allegations contained in paragraphs 1 through 5 of this Indictment are hereby realleged and incorporated by reference.

14) On or about June 1, 2020, within the Middle District of Pennsylvania, and elsewhere, the defendant,

THOMAS HARTLEY,

did knowingly and willfully make and use a false writing and document, knowing the same to contain a materially false, fictitious, and fraudulent statement and entry in a matter within the jurisdiction of the executive branch of the Government of the United States, in that the defendant submitted to the Department of the Army a DA Form 5960 in which he falsely claimed that his dependents resided in Shrewsbury, New Jersey, when in fact, as the defendant well knew, his dependents resided in Henryville, Pennsylvania.

All in violation of Title 18, United States Code, Section 1001(a)(3).

A TRUE BILL:

10-20-20
DATE


GRAND JURY FOREPERSON

DAVID J. FREED
UNITED STATES ATTORNEY

By: Robert J. O'Hara
ROBERT J. O'HARA
ASSISTANT U.S. ATTORNEY